

# EXHIBIT 30

**DECLARATION OF AMY K. DITTMAR**

I, Amy K. Dittmar, declare as follows:

1. I am the Provost and Executive Vice President for William Marsh Rice University (“Rice University” or “Rice”) in Houston, Texas. I am also a Professor of Finance and Professor of Economics at Rice. I have held these positions since coming to Rice in August 2022. Before joining Rice, I was a faculty member at the University of Michigan in Ann Arbor, Michigan from 2003 to 2022. There, I also served as Senior Vice Provost of Academic and Budgetary Affairs from 2016 to 2022. I hold a Ph.D. in Finance from the University of North Carolina at Chapel Hill.

2. I have personal knowledge of the contents of this declaration, or have knowledge of the matters based on my review of information and records gathered by Rice personnel, and could testify thereto.

3. Rice receives substantial annual funding from the National Science Foundation (“NSF”). For example, in Rice’s Fiscal Year 2024, which ran from July 1, 2023, through June 30, 2024, Rice received approximately \$45.8 million in NSF funding. Of this amount, approximately \$11.5 million consisted of reimbursement for Rice’s indirect costs. In Rice’s Fiscal Year 2025, which runs from July 1, 2024, through June 30, 2025, Rice expects to receive approximately \$56.281 million in NSF funding, including \$10.36 million as reimbursement for Rice’s indirect costs. Rice intends to apply for new NSF funding awards, and/or renewals and continuations of existing funding awards, in the next year and in future years to come.

4. The funding Rice receives from NSF supports critical and cutting-edge research vital to our nation’s security. Millions of Americans benefit from and depend on this research; and often, this research also benefits American businesses. For example:

- a. Rice conducts research on “research security,” which addresses national-security threats. With NSF funding and in collaboration with the University of Houston and industry partners, Rice held a 2024 workshop that brought together national experts on research security, national security, and counterintelligence, then produced a published report with recommendations. Research security helps safeguard the benefits of US-taxpayer-funded science and technology research. It helps U.S. companies, defense contractors, and universities identify and address persistent intelligence, technological, personnel, and procedural vulnerabilities that can lead to the misuse, exploitation, exfiltration, and outright theft of U.S. research by malicious international actors and entities.
- b. Rice conducts research that helps make the U.S.’ natural resources production more efficient and clean water more abundant worldwide. With NSF funding and in collaboration with the University of Texas at El Paso, Arizona State University, and Yale University, Rice researchers use nanotechnology to develop compact, mobile, off-grid systems that help provide clean water, especially in rural communities and locations hit by natural disasters. The technology also aims to make U.S. energy production more sustainable and cost-effective by enabling industrial wastewater reuse and decreasing chemical use, waste residuals, and environmental impact. This will increase the competitiveness of U.S. products in the emerging markets of global health and decentralized water management. It will also

give many of the 43 million Americans served by private wells access to safer water, and enable thousands of industrial sites to treat and reuse wastewater with far less environmental impact.

- c. Rice conducts research that helps coastal areas of the U.S. prepare for and navigate the effects of severe weather. With NSF funding and in collaboration with researchers from Texas A&M University at Galveston, the University of Texas at Arlington, and others, Rice leverages artificial intelligence (AI) to account for the effects of high-speed winds, storm surge, and compound flooding, then forecast their impact on buildings, transportation infrastructure, stormwater infrastructure, and hazardous materials. Additional NSF-funded research conducted in collaboration with the University of Texas at Austin helps rural communities become more resilient against floods, and an NSF-funded project reviewed Houston neighborhoods that flooded multiple times in three years to determine how residents of flood-prone areas decide whether to remain and rebuild, relocate to other areas of the city, or relocate outside the city. Finally, another NSF-funded project collaborated with researchers from the University of Texas at Arlington to examine whether design strategies aimed at improving civic engagement in stormwater infrastructure can help reduce catastrophic flooding.
- d. Rice's Center for Theoretical Biological Physics also conducts NSF-funded research that uncovered dynamics behind protein crucial in understanding breast cancer. The project's findings reshaped the understanding of how

hormone receptor molecules work more broadly, and may help better understand mutations linked to numerous other diseases and types of cancer. The same NSF-funded center at Rice also created a technique to help break up blood clots. That project involved metabolically engineering human cells to serve as drug factories, create thrombin inhibitors, and break up the clots. This discovery could potentially allow cells to serve as sensors that monitor their environments and respond with necessary treatments.

- e. Rice conducts research that can help detect threats to health by monitoring public wastewater. This NSF-funded grant is intended to build bioelectronics (i.e., electronic devices that contain microbes as electrical components embedded in materials) to sense these threats. These sensors might then continuously monitor wastewater at a low cost, and help the U.S. identify and address chemical and biological threats from a variety of sources.

5. Reimbursement of Rice's indirect costs is essential for supporting this research. NSF's cutting of indirect cost rates to 15% could preclude or seriously inhibit Rice from continuing the kinds of research projects described in Paragraph 4 in the future.

6. Indirect costs from NSF help Rice purchase supplies to build and develop the new technology, and complete the projects, I have described. They also help Rice partly cover the cost of lab space where we actually build and test technology, pay Rice's water and power bills, pay the salaries of people who manage Rice's funding contracts with NSF, issue subcontracts to Rice's partners, provide financial reports, maintain safe working conditions by providing hazardous waste disposal, cover the costs of institutional review boards (which ensure that all studies involving

human subjects are conducted ethically), and construct and maintain facilities required to meet the current technical requirements of advanced research. Without this critical infrastructure, we simply cannot conduct the research.

7. For example, with respect to some areas of research described in Paragraph 4:
  - a. For the project described in Paragraph 4.a., the indirect costs from the NSF assisted Rice with funding the preparation and submission of the award proposal, keeping track of the project expenses, monitoring subawards, and submitting progress reports to the NSF. The indirect costs also helped pay for the electricity, air conditioning, water, custodial, and communications used in the building that hosted the workshop.
  - b. For the project described in Paragraph 4.c., the indirect costs support both the space and the research infrastructure needed to execute this project – items such as offices for researchers, meeting spaces for the interdisciplinary team members, and meeting space for workshops with community partners to receive input on requirements for an AI-enabled tool that will improve emergency response during a storm event. Also, for this type of project dedicated to AI, computing, and data, the information technology (IT) and computing resources are critical, and the indirect costs allow the project team to use secure data storage, supercomputers/high performance computing, networking infrastructure for the transfer of data, and IT support staff. This state-of-the-art infrastructure must be continually maintained so it can support projects that use AI systems and algorithms to improve situational awareness and resilience during natural hazards.

- c. For the project described in Paragraph 4.e., the indirect costs support infrastructure, staffing, and special facilities required to conduct the work. For example, the indirect costs help fund personnel who oversee the safety concerns involved in working with toxic chemicals, engineered bacteria, and wastewater analysis; identify potential threats; and provide input into specific procedures to mitigate those threats. The indirect costs also allow researchers to use very specialized equipment from a nanofabrication facility, and contribute to funding large and complex equipment like optical microscopes, scanning electron microscopes and X-ray photoelectron spectrometers, which require dedicated infrastructure and trained staff to operate and maintain.

8. Physical space costs are one of the largest components of indirect costs, and the amount of space available to researchers has a direct and obvious impact on the amount of research that can be done at Rice. NSF research requires lab operation systems that are much more expensive than other parts of the university. For example, labs require more heating, ventilation, and cooling (HVAC) units than do offices. These HVAC units are essential to ensure sterility and manage low and high humidity that can alter scientific test results. Some labs at Rice require limited vibrations due to specialty equipment. Other labs require higher energy costs to power vital equipment; in general, labs use 5-10 times the energy used by other office buildings.<sup>1</sup> All these needs are funded, in part, by indirect costs.

9. In addition, indirect costs fund the administration of awards, including staff who ensure compliance with a vast number of regulatory mandates from agencies such as NSF.<sup>2</sup> These

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<sup>1</sup> <https://www.nrel.gov/docs/fy08osti/29413.pdf>

<sup>2</sup> <https://www.nsf.gov/policies/pappg/24-1>

mandates serve many important functions, including protecting human and animal subjects involved in research; ensuring research integrity; properly managing and disposing of chemical and biological agents used in research; preventing financial conflicts of interest; managing funds; preventing intellectual property, technologies, or national security expertise from being inappropriately accessed by foreign adversaries; and providing the high level of cybersecurity, data storage, and computing environments mandated for regulated data.

10. Recovery of Rice's indirect costs is based on predetermined rates that have been contractually negotiated with the federal government.

11. Through Rice's Fiscal Year 2025, its predetermined, negotiated indirect cost rate is 56.5% which is applied to the direct costs, as modified (the "MTDC").

12. The effects of a reduction in the indirect cost rate to 15% would be devastating. Of the approximately \$45.8 million in NSF funding that Rice received in Rice Fiscal Year 2024, approximately \$34.3 million consisted of payment of direct costs, \$11.5 million consisted of reimbursement of indirect costs. Similarly, in Rice Fiscal Year 2025, Rice expects to receive approximately \$45.921 million in NSF funding for direct costs and \$10.36 million in NSF funding for indirect costs. Rice expects to receive similar direct and indirect cost recovery on an annual basis in the future.

13. If—contrary to what Rice has negotiated with the federal government—the indirect cost rate was reduced to 15% for new awards, that would significantly reduce Rice's anticipated annual indirect cost recovery. In a year similar to Rice's Fiscal Year 2025, applying the 15% rate to the anticipated modified direct costs for NSF awards would reduce Rice's anticipated annual indirect cost recovery by an estimated \$7.61 million: from \$10.36 million each year to \$2.75 million a year.



14. Rice has for decades relied on the payment of indirect costs. And until now, Rice has been able to rely on the well-established process for negotiating indirect cost rates with the government to inform our budgeting and planning. Operating budgets rely on an estimate of both direct and indirect sponsored funding to plan for annual staffing needs (*e.g.*, post-docs, Ph.D. students, and other research staff), infrastructure support (*e.g.*, IT networks, regulatory compliance, and grant management support), and facility and equipment purchases. And in some cases, Rice has long-term obligations—for example, research lease obligations—that rely on indirect cost recovery to be fulfilled. This multi-year budgeting process also assumes the availability or possibility of grant renewals at roughly similar terms – and certainly at the negotiated indirect cost rate – as had been previously available.

15. In addition to the immediate impacts and reliance interests described above, there are longer-term impacts that are both cumulative and cascading. For example, reductions may cause safety issues from lack of staff and security, threats to research security and national security because of increased data access and theft by malicious actors, and the inability to restart research studies even if funding were restored.

16. Disruptions to Rice’s research will also have negative effects in the Houston area, the state of Texas, and the broader Gulf Coast region. Approximately 4,200 persons work directly for Rice, and almost every one of them lives and works entirely in Texas. Also, Rice collaborates with state and local partners throughout the Gulf Coast Region to help solve regional challenges through joint research and innovation. Rice’s research also fuels spending in the regional economy, including by driving discoveries that launch new ventures, attract private investment, and make a positive social impact. A massive reduction in Rice’s research budget would immediately and seriously jeopardize these contributions to the Gulf Coast region.

17. Finally, slowdowns or halts in research by Rice and other American universities will allow competitor nations that are maintaining their investments in research to surpass the United States on this front, threatening both our Nation's national security and its economic dominance.

18. Nor can Rice cover the funding gap itself. While Rice maintains an endowment, it is neither feasible nor sustainable for Rice to exclusively use endowment funds or other revenue sources to offset shortfalls in indirect cost recovery, for several reasons:

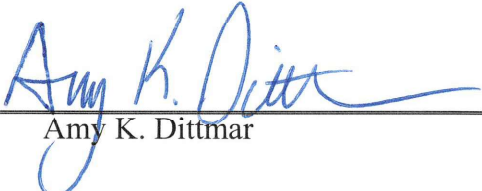
- a. A substantial amount of Rice's endowment is restricted to specific donor-designated purposes, such as scholarships, faculty chairs, and academic programs; or not immediately available because it has been committed through contracts to other purposes. Rice is not legally permitted to use, or timely use, those funds to cover research infrastructure costs.
- b. Also, the endowment is subject to a carefully managed annual payout, typically between 4.5% to 6.5%, to ensure Rice's long-term financial stability and continue to fund the Rice Investment, a financial aid program that covers full tuition, fees, and room and board for students whose family income is \$75,000 or below; covers full tuition for students whose family income is between \$75,000 and \$140,000; covers half tuition for students whose family income is between \$140,000 and \$200,000, assuming typical assets; and meets 100% of demonstrated financial need for students whose families do not fall within those income ranges. This aid is provided predominantly with institutional funds and without loans.

- c. As a non-profit university, Rice reinvests nearly all its revenue into mission-critical activities, leaving little margin to absorb unexpected funding gaps. In other words, unlike for-profit organizations, Rice does not generate significant surpluses that could be redirected without impacting core academic priorities such as educational programs and financial aid support for students.

19. Moreover, absorbing the cost of a lower indirect cost rate, even if it were possible, would create long-term budget pressures on Rice—which would in turn force reductions in key investments supporting Rice’s faculty, students, staff, research, and teaching infrastructure, and other critical activities needed to maintain Rice’s academic excellence and make a Rice education more financially accessible to students.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on May 6, 2025, at Houston, Texas.

  
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Amy K. Dittmar